

**NEED TESTIMONY**

**REBUTTAL TESTIMONY**

**OF**

**GREG ROCKROHR**

SAFETY AND RELIABILITY DIVISION  
ILLINOIS COMMERCE COMMISSION

Ameren Transmission Company of Illinois

DOCKET NO. 14-0514

Petition for a Certificate of Public Convenience and Necessity,  
pursuant to Section 8-406 of the Illinois Public Utilities Act,  
and an Order pursuant to Section 8-503 of the Public Utilities  
Act, to Construct, Operate and Maintain a New High Voltage  
Electric Service Line in the Counties of Peoria and Knox,  
Illinois

April 7, 2015

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1 **Introduction**

2 Q. **What is your name and business address?**

3 A. My name is Greg Rockrohr. My business address is 527 East Capitol Avenue,  
4 Springfield, Illinois 62701.

5 Q. **Are you the same Greg Rockrohr who previously submitted direct testimony**  
6 **in this proceeding?**

7 A. Yes. My direct testimony, filed on December 15, 2014, consists of two documents:  
8 (1) ICC Staff Ex. 1.0N, which discusses project need and (2) ICC Staff Ex. 1.0,  
9 which discusses topics other than project need.

10 Q. **What is the purpose of your rebuttal testimony identified as “Need**  
11 **Testimony”?**

12 A. My rebuttal testimony identified as “Need Testimony” responds to Ameren  
13 Transmission Company of Illinois’ (“ATXI”) rebuttal testimony associated with  
14 project need, which ATXI filed on March 5, 2015. In its rebuttal testimony covering  
15 project need, ATXI provides new information intended to demonstrate that a need  
16 exists for its proposed project regardless of whether two other transmission  
17 projects that the Commission recently approved are constructed. Specifically, Mr.  
18 Dennis D. Kramer (ATXI Ex. 10.0N), Mr. Scott D. Deffenderfer (ATXI Ex. 11.0N),  
19 and Dr. Todd Schatzki (ATXI Ex. 17.0N) testify that a need exists for ATXI’s  
20 proposed 345 kV transmission line between Ameren Illinois Company’s Fargo  
21 Substation and ATXI’s proposed Sandburg Substation regardless of whether Rock  
22 Island Clean Line’s high-voltage DC transmission line approved in Docket No. 12-  
23 0560 and/or Commonwealth Edison Company’s (“ComEd”) Grand Prairie  
24 Gateway 345 kV transmission line approved in Docket 13-0657 are constructed.

My rebuttal testimony provides and explains my conclusions about ATXI's demonstration of project need.

As the Revised Case Management Plan requires<sup>1</sup>, my rebuttal testimony is segregated into two documents: ICC Staff Exhibit 2.0N, discusses the need for ATXI's proposed 345 kV transmission line, and ICC Staff Exhibit 2.0 discusses topics other than need.

**Q. Do ATXI witnesses' rebuttal testimonies about need cause you to modify any of your conclusions about project need that you presented in direct testimony?**

A. Yes. In my direct testimony I concluded that because ATXI's studies intended to demonstrate project need did not consider the Rock Island Clean Line high-voltage direct current ("DC") transmission line that the Commission approved in Docket 12-0560, ATXI had not adequately demonstrated that its project was needed. With its rebuttal testimony, ATXI demonstrates that its proposed 345 kV transmission line will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives whether the Rock Island Clean Line is completed or not. Though I am not an attorney, it is my understanding that ATXI's demonstration satisfies the requirements of the second criterion path included in Section 8-406(b) of the Public Utilities Act, which the Commission uses to determine whether a utility should construct an electric transmission line.<sup>2</sup>

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<sup>1</sup> *Revised Case Management Plan*, 3, Oct. 16, 2014.

<sup>2</sup> Staff Ex. 1.0N, 6-7.

**Information ATXI provides in rebuttal testimony**

**Q. What new information did ATXI provide in its rebuttal testimony?**

A. ATXI provides the results of power flow and cost benefit studies that include two recently approved transmission lines that ATXI excluded from its studies presented in its direct testimony: the Rock Island Clean Line project that I previously mentioned, and ComEd's proposed 345 kV line in north central Illinois that ComEd identifies as its Grand Prairie Gateway project. In my direct testimony I noted that the transmission model results that ATXI presented in direct testimony did not include the Rock Island Clean Line project: a high-voltage DC transmission line that the Commission recently approved in Docket No. 12-0560. Separately, in data requests, I also asked ATXI to provide the results from power flow studies that include the ComEd Grand Prairie Gateway project, which the Commission recently approved in Docket No. 13-0657. I reasoned that it was possible these two projects, that neither MISO nor ATXI included in power flow studies, might provide some of the market efficiency that MISO intended MVP-16 to provide, so that MVP-16 might no longer be necessary.<sup>3</sup>

**Response to the Rebuttal Testimony of ATXI Witness Mr. Kramer**

**Q. What new information does Mr. Kramer provide in ATXI Ex. 10.0N?**

A. Mr. Kramer concludes, based upon the study results presented in the rebuttal testimonies of Mr. Deffenderfer and Dr. Schatzki, that ATXI's proposed 345 kV line is needed regardless of whether the projects contemplated in Docket Nos. 12-0560 and 13-0657 are completed.<sup>4</sup> The bulk of Mr. Kramer's testimony expresses his

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<sup>3</sup> Staff Ex. 1.0N, 14-15.

<sup>4</sup> ATXI Ex. 10.0N, 9-10.

view that ATXI should not need to consider the effect of the Rock Island Clean Line project when demonstrating the need for its proposed 345 kV line that is the subject of this docket. He explains that PJM, the Regional Transmission Operator for the area in which Rock Island Clean Line plans to terminate its proposed high-voltage DC transmission line, studied the effect the Rock Island Clean Line project will have on the transmission system it operates. Per Mr. Kramer, PJM determined that, without significant system upgrades, the Rock Island Clean Line will be limited to deliveries of 700 MW of firm capacity at the conversion station proposed as part of the project in northeastern Illinois. I understand Mr. Kramer's position to be that merchant projects, such as the Rock Island Clean Line project, should not be considered due to the uncertainty that they will actually be built.<sup>5</sup> Mr. Kramer does not state similar objections regarding ComEd's Grand Prairie Gateway project.

Q. **What is your response to Mr. Kramer's rebuttal testimony?**

A. I disagree with Mr. Kramer's position that its demonstration of need for its project can appropriately rely exclusively upon the results of MISO's five-year old power-flow models that exclude the effects of transmission lines that the Commission has subsequently approved. Power flows on the interconnected transmission system are affected by transmission line additions, and computerized power flow models are a relatively easy way to model how the overall transmission system will respond to various transmission line additions. Mr. Kramer's explanation regarding his belief that the Rock Island Clean Line project may never actually be constructed is useful, and provides a reason that ATXI may wish to provide power flow study

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<sup>5</sup> ATXI Ex. 10.0N, 3-9.

results that (a) include the Rock Island Clean Line project and (b) exclude the Rock Island Clean Line project. There appears to be no similar question regarding the completion of ComEd's Grand Prairie Gateway project, and I understand there to be no disagreement that ComEd's project should be included in ATXI's power flow studies presented in this docket that seek to demonstrate need.

Response to the Rebuttal Testimony of ATXI Witness Dr. Schatzki

Q. **What new information does Dr. Schatzki provide in his rebuttal testimony?**

A. Dr. Schatzki's rebuttal testimony explains his conclusion that MVP-16 is necessary to promote the development of an effectively competitive electricity market that operates efficiently and is equitable to all customers regardless of whether the Rock Island Clean Line project and/or ComEd's Grand Prairie Gateway project are constructed.<sup>6</sup> With ATXI Ex. 17.2.2N, Dr. Schatzki provides study results comparable to ATXI Ex. 9.4N Updated, only ATXI Ex. 17.2.2N assumes that the Rock Island Clean Line project and ComEd's Grand Prairie Gateway project are both in service. ATXI Ex. 17.2.2N indicates that in three of the four possible policy/economic outcomes (future scenarios) that Dr. Schatzki studied, completion of MVP-16 would result in lower payments by customers for electricity due to projected reductions in wholesale energy prices. Dr. Schatzki's studies also show that MVP-16 will provide increased supply of wind power into the MISO region in all future scenarios evaluated. Dr. Schatzki concludes that under one specific future scenario, the Combined Energy Policy scenario<sup>7</sup>, if both Rock Island Clean Line and ComEd's Grand Prairie Gateway projects are completed, MVP-16 is

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<sup>6</sup> ATXI Ex. 17.0N, 2-3, 14.

<sup>7</sup> ATXI Ex. 9.2, 9-10 includes a description of each scenario studied.

unlikely to provide a cost benefit to customers. Dr. Schatzki explains, however, that this single scenario is unlikely to occur, and even if it did, the additional supply that MVP-16 would supply is pro-competitive.<sup>8</sup>

Q. **What is your response to Dr. Schatzki's rebuttal testimony?**

A. I agree with Dr. Schatzki that MVP-16 will allow Illinois customers access to additional renewable energy from wind resources to the west of Illinois. Dr. Schatzki provides the results from his studies that indicate locational marginal prices, and therefore customer payments for energy, will be lower if MVP-16 is constructed regardless of whether the Rock Island Clean Line project and ComEd's Grand Prairie Gateway project are built. Dr. Schatzki's study results also indicate that MVP-16 will increase the availability of wind energy in every future scenario considered, regardless of whether the Rock Island Clean Line project and/or ComEd's Grand Prairie Gateway project are constructed.

Q. **Dr. Schatzki finds that for one future scenario, identified as the "Combined Energy Policy Future", MVP-16 may not result in an incremental decrease in customer payments for energy if both the Rock Island Clean Line project and ComEd's Grand Prairie Gateway project are completed. Does Dr. Schatzki's finding, illustrated in ATXI Ex. 17.2.1N, concern you?**

A. No. It is my understanding that Dr. Schatzki's study results indicate that only under one of the future scenarios studied, identified as "Combined Energy Policy," MVP-16 may not provide a cost benefit to customers, but only if both the Rock Island Clean Line project and ComEd's Grand Prairie Gateway project are completed. In

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<sup>8</sup> ATXI Ex. 17.0N, 16-17.



Dr. Schatzki's studies, the "Combined Energy Policy" future "assumes multiple energy policies are enacted, including a 20 percent federal RPS, a carbon cap modeled on the Waxman-Markey Bill, implementation of a smart grid and widespread adoption of electric vehicles."<sup>9</sup> I do not know how likely the "Combined Energy Policy" scenario is to occur, but in my opinion it is very unlikely that actual conditions in the years 2021 and 2026, which are the years specifically identified in Dr. Schatzki's study results, will exactly match any of the future scenarios in Dr. Schatzki's studies. I think it far more likely that actual conditions will be some combination of the possible future scenarios that Dr. Schatzki considers.<sup>10</sup> Dr. Schatzki's use of these future scenarios is appropriate because it provides a useful risk assessment tool, and his study results indicate that it is far more likely than not that construction of MVP-16 will result in savings for customers. Again, to be clear, there is no guarantee that actual future conditions will match any of the future scenarios that Dr. Schatzki's studies contemplate. However, given Dr. Schatzki's study results that show customers are likely to experience lower energy prices as a result of MVP-16, and that show customers would have access to a larger supply of renewable energy, Dr. Schatzki's rebuttal testimony demonstrates that MVP-16, including ATXI's portion of MVP-16 that is the subject of this docket, will promote the development of an effectively competitive electricity market that operates efficiently and is equitable to all customers.

Response to the Rebuttal Testimony of ATXI Witness Mr. Deffenderfer

**Q. What new information does Mr. Deffenderfer provide in ATXI Ex. 11.0N?**

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<sup>9</sup> ATXI Ex. 9.2N, 10.

<sup>10</sup> Staff Ex. 1.0N, 10-11.

156 A. Mr. Deffenderfer's rebuttal testimony provides the results of his additional analyses  
157 showing projected local reliability benefits in the Galesburg area with (1) the Rock  
158 Island Clean Line project in service, (2) ComEd's Grand Prairie Gateway project  
159 in service, and (3) both the Rock Island Clean Line project and ComEd's Grand  
160 Prairie Gateway project in service. Based upon his additional analyses, Mr.  
161 Deffenderfer concludes that, in 2021, even if the Rock Island Clean Line project  
162 and/or ComEd's Grand Prairie Gateway project are in service, there is a risk of  
163 voltage collapse and a risk of equipment overloads in the Galesburg area without  
164 MVP-16 under various contingency conditions.<sup>11</sup>

165 Q. **What is your response to Mr. Deffenderfer's rebuttal testimony?**

166 A. Mr. Deffenderfer's analysis adequately demonstrates that, even if the Rock Island  
167 Clean Line project and/or ComEd's Grand Prairie Gateway project are constructed,  
168 low voltage and transmission equipment overloads could still exist in the Galesburg  
169 area under a variety of contingency conditions. Dr. Schatzki's rebuttal testimony  
170 separately demonstrates that ATXI's proposed 345 kV line will promote the  
171 development of an effectively competitive electricity market that operates  
172 efficiently and is equitable to all customers. As part of MISO's MVP-16, the same  
173 345 kV line that ATXI proposes to mitigate transmission constraints that Mr.  
174 Deffenderfer's rebuttal testimony identifies will also promote the development of  
175 an effectively competitive market, as Dr. Schatzki's rebuttal testimony  
176 demonstrates.

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<sup>11</sup> ATXI Ex. 11.0N, 4-6. ATXI Ex. 11.1N, 11.2N, 11.3N.

177 **Conclusion**

178 Q. **What is your conclusion regarding the 345 kV line that ATXI proposes in this**  
179 **docket?**

180 A. I conclude that the primary benefit of ATXI's proposed 345 kV line, if built, would  
181 be to promote the development of an effectively competitive electricity market that  
182 operates efficiently and is equitable to all customers. ATXI's proposed 345 kV line,  
183 which is a component of MVP-16, therefore satisfies the second criteria identified  
184 in Section 8-406(b) of the Act (promote development of an effectively competitive  
185 market) by providing access to lower cost generation to satisfy RPS requirements.  
186 In rebuttal testimony, ATXI adequately demonstrates that its proposed 345 kV line,  
187 as part of MVP-16, would promote the development of an effectively competitive  
188 market even if one or both the Rock Island Clean Line project (approved in Docket  
189 No. 12-0560) and ComEd's Grand Prairie Gateway project (approved in Docket  
190 No. 13-0657) are constructed. ATXI's proposed 345 kV line will also mitigate low  
191 voltage and specific transmission system constraints. These transmission system  
192 constraints could be mitigated by different transmission project(s), but at greater  
193 cost to Ameren Illinois Company's ("AIC") customers, since those different projects  
194 and costs would not be part of MISO's MVP portfolio, and therefore would be  
195 allocated only to AIC's customers rather than across the MISO footprint.

196 Q. **Does this conclude your prepared rebuttal testimony regarding project**  
197 **need?**

198 A. Yes.